

# 3.95%

## Interest Rate

OR LOWER  
AVAILABLE NOW!

### ENERGY EFFICIENCY FINANCING APPLICATION

- 
- *Schools*
  - *Hospitals*
  - *Local Government*
  - *Special Districts*
  - *Public Care Institutions*



California Energy Commission

[energy.ca.gov/efficiency/financing](http://energy.ca.gov/efficiency/financing)

Phone: 916-654-4008

or Help Call us at 1-9

# FINANCING for ENERGY EFFICIENCY

## Are You Eligible?

- Public or Non-profit Schools and Colleges
- Cities
- Counties
- Public or Non-profit Hospitals
- Special Districts
- Public or Non-profit Public Care Institutions

## Does Your Project Qualify?

You can purchase and install any commercially-available energy efficiency equipment with proven energy and/or capacity savings. Examples of qualified projects:

- Lighting
- Motors and pumps
- Heating and air conditioning systems
- Automated energy management systems and controls
- Cogeneration equipment
- Light emitting diode traffic signal modules
- Renewable energy systems
- Thermal energy storage systems
- Energy audits/feasibility studies

Projects already funded with an existing loan or already installed are ineligible. Please call if you have any questions.

## When Can You Start Your Project?

Your application must be on file before you can start your project, and **only project-related costs that are paid for after Energy Commission approval may be included in the loan request.** Applicants assume all financial risk should the Commission disapprove the application or if all loan documents are not executed. If the loan is disapproved for any reason, the Energy Commission is not responsible for reimbursement of any costs.

## Does Your Facility Qualify?

Existing buildings or other energy using facilities are eligible. Some new buildings and facilities may also be eligible. Please call to discuss eligibility.

## How Much is Available?

Please call for latest funding availability. Loans can finance up to 100 percent of the project costs.

## When Should You Submit Your Application?

**Now!** This solicitation is continuously open with no final filing date. Applications for funding will be accepted on a first come, first served basis, reviewed by a technical committee, and awarded based on project merit. The Energy Commission reserves the right to close the solicitation period at any time, so don't delay. Don't miss this opportunity.

## Criteria for Loan Approval

Energy efficiency projects must be technically and economically feasible. Loans must be repaid from savings within

$$\text{Simple Payback (yrs)} = \frac{\text{Amount of Loan (\$)}}{\text{Anticipated Annual Energy Cost Savings (\$/yr)}}$$

15 years, including principal and interest. This results in an approximate 10-year simple payback.

## Interest Rate

The interest rate is a fixed 3.95 percent for the term of the loan. However, if you can meet the requirements for an Early Project Completion Incentive, you can lower your interest rate. Details can be found in the next section.

## Early Project Completion Incentive

If you complete the project and invoice the Commission for the funds within nine (9) months of the date the loan is approved by the Commission, your interest rate will be 3.85 percent. To get the lower interest rate, the borrower must:

- a) Invoice the Commission only once when the project is complete, and
- b) Submit a complete final invoice package that contains all the required documents specified in the loan agreement. This final invoice package must contain sufficient information to enable the Commission to approve it within 30 days of receipt.

## Is Your Organization A Nonprofit?

Eligible nonprofit organizations must provide a copy of their most recent annual audited financial statement. The statement must show current assets and liabilities. The Commission will run three financial tests:

- a) Current Ratio: Compares the current assets and liabilities;
- b) Net Working Capital: Compares the loan amount requested with the current assets and liabilities; and
- c) Fund Balance: Compares the loan amount requested with the total assets and liabilities.

Nonprofit organizations must pass all three tests in order to be considered for the requested loan amount.

## Loan Security Requirements

It's simple. A Loan Agreement, a Promissory Note, and a Tax Certificate (for public entities only) are all that is required to secure the loan. Please call to get a copy of these documents or you can download them at [www.energy.ca.gov/efficiency/financing](http://www.energy.ca.gov/efficiency/financing).

## How Are Funds Disbursed?

The funds are available on a reimbursement basis. For each reimbursement request, receipts and invoices for incurred expenses must be submitted along with payment verification by your organization. The final 10 percent of the funds will be retained until the project is completed. Interest is charged on the unpaid principal computed from the date of each disbursement to the borrower.

## Repayment Terms

The repayment schedule is based on the annual projected energy cost savings from the aggregated project(s), using energy costs and operating schedules at the time of loan approval. In some cases, the loan repayment schedule can be extended up to 15 years.

Applicants will be billed twice a year after the projects are completed.

**For Help Call us at 1-916-654-4008**

# THE APPLICATION

**How Do You Apply?** Unless otherwise specified in the “Other Information” column, just submit the information shown below or go to [energy.ca.gov/efficiency/financing](http://energy.ca.gov/efficiency/financing) and fill it out on line. Your application must be complete before processing can begin. For incomplete applications, information must be received within a specific time or the application will be returned unprocessed.

Application Package Items	Copies Needed	Other Information
Completed and signed loan application	Original plus one copy	
Completed Summary of Recommended Energy Efficiency Measures in Loan Request Table	One copy	
Feasibility Study*	One copy	Study must describe proposed energy efficiency projects, including calculations and assumptions to support the technical feasibility and energy savings. The study must also contain: a) proposed budget detailing all project costs, and b) proposed schedule for implementation of the projects.
Copy of a signed resolution, motion, order, etc., from your governing board (see sample).	One copy	The resolution need not be submitted with the application, but it <b>must</b> be received by the time of final loan package signatures. The title of the official signing the loan agreement should be the same one named in the resolution, motion, or order.
Additional items for nonprofit organization: 1) Internal Revenue Service (IRS) Letter of Determination, and 2) most recent audited financial statement covering a 12-month period.	One copy	<b>Nonprofit organizations should call <u>before</u> applying.</b>
* If you are submitting multiple applications, please put each application package in a separate envelope. If the energy audit/feasibility study is used to justify energy efficiency projects in multiple applications, submit one copy of the audit/study and indicate the application package that contains the audit/study.		

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### Where Do I Submit My Application?

Send your application package with the specified copies to:

California Energy Commission  
Nonresidential Buildings Office  
Attn: ECAA Loan Program  
1516 Ninth Street, MS #26  
Sacramento, CA 95814-5512



### Who Do I Call?

Call the California Energy Commission at (916) 654-4008 to discuss project and facility eligibility, funding availability, and application requirements.

Energy Commission staff will review your application and contact you within 15 days. It may be necessary to arrange a site visit to discuss your project and loan request.

**For Help Call us at 1-916-654-4008**

Applicant:		
Mailing Address:	City:	Zip:
Street Address:	City:	Zip:
County:		
Contact Person:	Title	
e-mail address		

## 2. PROJECT INFORMATION

- A. Have you already applied for utility rebates and incentives for the projects that you are requesting loan funding?
- ☐ Yes, Go to Item 2B  
☐ No, we have not applied but plan to do so in the future, Go to Item 2B  
☐ No, we do not plan to apply for any utility rebates, Go to Question 3  
☐ Don't know what programs are available, Go to Question 3
- B. If you have applied for utility rebates or plan to do so for the projects in your loan application, please indicate:

Name of Utility:
Name of Utility Efficiency Programs:
Estimated Amount of Rebate, if known:

## 3. PROJECT SCHEDULE

Tentative project start date:
Tentative project completion date:

## 4. PROJECT BUDGET

Total project costs (include all installation costs):
Amount requested from the Energy Commission:

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## 5. CERTIFICATION

To the best of my knowledge and belief, the data in this application are correct and complete.

Name of Authorized Representative:		
Title:		
Signature of Authorized Representative:		
Date:	Telephone:	Fax:

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## Summary of Recommended Energy Efficiency Measures in Loan Request

For each application, list the projects for which you are requesting a loan and identify the savings, project cost and payback for each project. Total the savings and project cost at the end of the table. Insert more rows as needed.

Project	Peak Demand Savings (kW)	Annual Electric Savings (kWh)	Annual Natural Gas Savings (therms)	Annual Other Energy Savings (specify units)	Annual Cost Savings	Project Installation Cost	Simple Payback (years)
Example: Install T8 lamps and electronic ballast	48	266,405	0	0	\$24,113	\$100,790	4.2
TOTAL							

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SAMPLE RESOLUTION

RESOLUTION NO.

Resolution of

\_\_\_\_\_  
*Name of Institution or Organization*

WHEREAS, the California Energy Commission provides loans to schools, hospitals, local governments, special districts, and public care institutions to finance energy efficiency improvements;

NOW THEREFORE, BE IT RESOLVED, that \_\_\_\_\_  
*Governing Body*  
authorizes \_\_\_\_\_ to apply for an energy efficiency  
*Name of Institution or Organization*  
loan from the California Energy Commission to implement energy efficiency measures.

BE IT ALSO RESOLVED, that if recommended for funding by the California Energy Commission, the \_\_\_\_\_ authorizes \_\_\_\_\_  
*Governing Body* *Institution or Organization*  
to accept a loan up to \$\_\_\_\_\_.  
*Loan amount requested*

BE IT ALSO RESOLVED, that the amount of the loan will be paid in full, plus interest, under the terms and conditions of the Loan Agreement, Promissory Note and Tax Certificate\* of the California Energy Commission.

BE IT FURTHER RESOLVED, that \_\_\_\_\_ is hereby  
*Title of Designated Official*  
authorized and empowered to execute in the name of \_\_\_\_\_  
*Institution or Organization*  
all necessary documents to implement and carry out the purpose of this resolution, and to undertake all actions necessary to undertake and complete the energy efficiency projects.

Passed, Approved and Adopted this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.  
*Month* *Year*

Governing Board Representatives:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\* Tax certificate only required for public agencies.

For Help Call us at 1-916-654-4008

**Gray Davis**

Governor

**Mary D. Nichols**

Secretary for Resources



**California Energy Commission**

**William J. Keese**

Chairman

Commissioners

**Robert Pernell**

**Arthur H. Rosenfeld, Ph.D.**

**James D. Boyd**

**John L. Geesman**

Robert L. Therkelsen

Executive Director